

FISCAL NOTE

SB 116 – HB 348

February 21, 2007

SUMMARY OF BILL: Requires the Division of Energy (DE), within Economic and Community Development (ECD), to promulgate energy and lighting efficiency building standards for new or renovated buildings in this state, in coordination with other standards and codes. Current law only requires the DE to recommend such standards.

ESTIMATED FISCAL IMPACT:

**Increase Local Govt. Expenditures* – Exceeds \$10,000 One-Time
Exceeds \$65,000 Recurring**

Assumptions:

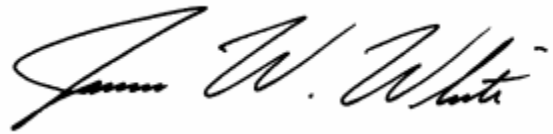
- Such established standards will be the mandatory minimum standards for all new building construction or renovations.
- Local governments will be required to adopt and administer such mandatory minimum standards. However, if any local government has adopted stricter standards than the mandatory minimum standards, then the local standards will control.
- According to ECD, energy standards are already established pursuant to T.C.A. 13-19-101 (The Model Energy Code, 1992 Edition).
- The Model Energy Code specifically states that standards published by the Council of American Building Officials have been adopted as minimum requirements for the effective use of energy in new buildings.
- Local jurisdictions have the option of adopting the International Energy Conservation Code set by the International Code Council.
- The International Conservation Code is stricter than the minimum standards set by the Council of American Building Officials.
- According to ECD, approximately three counties and 18 municipalities have adopted the stricter International Conservation Code; all remaining municipalities are required to adhere to the Model Energy Code.
- Adherence and enforcement is expected to be strengthened as a result of this legislation.
- Additional training will be required for building codes inspectors.
- Additional inspection time per site per inspector will be required.

- The one-time increase to local government expenditures for additional inspector training is estimated to exceed \$10,000.
- The recurring increase to local government expenditures for additional inspection times is estimated to exceed \$65,000 per year.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director